Approved For Release 2003/10/29 :CLA-RDP80R01731R003400140003-1 SECRET

MUNITIONS BOARD Washington 25, D.C.

MBXMA - 461

1 February 1950

Dear Admiral Hillenkoetter:

minus Folder The inclosed copy of the letter of 29 December 1949 from Mr. Allan Evans, Director, Office of Intelligence Research, Department of State, is forwarded for your comments and recommendations. Mr. Evans proposes that the Mamitions Board interim report "Vital Foreign Resources and Facilities Available to Support a United States Industrial Mobilization" be integrated into the National Intelligence Survey Program.

The basic material was compiled in response to a directive issued by the Secretary of Defense, 24 September 1948, to supply the needs of the Joint Chiefs of Staff. It was prepared to comply with MSC 29, 26 August 1948. Seven copies of this report were forwarded to your organization on 17 and 29 June 1949. The Munitions Board requested the Department of State to assist in the project under the appropriate provisions of NSC 29 and Mr. Allan Evans' letter was their reply.

25X1 of your staff was present at a joint meeting held early in September between the staff of the National Security Resources Board and the staff of the Munitions Board. He is familiar with the entire project and the problem proposed. A similar letter is being addressed to Dr. Steelman, Acting Chairman, National Security Resources Board.

Sincerely yours,

/8/ Patrick W. Timberlake

PATRICK W. TIMBERLAKE Major General, U.S.A.F. Director of the Staff

Incl. - 1 Ltr frm Mr. Evens

Rear Admiral R. H. Hillenkoetter Director, Central Intelligence Agency 2430 E Street, N. W. Washington 25, D. C.

Army and State Department review(s) completed ved For Release 2003/10/29 : CIA REPE</mark>0R01731R003400140003-1

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DEPARTMENT OF STATE Washington

Becember 29, 1949

My Dear Mr. Howard:

I regret very much the delay in replying to Mr. Carpenter's letter of June 21, 1949, concerning the first and second interim reports developed in the Munitions Board on the subject "Vital Foreign Resources and Facilities Available to Support a United States Undustrial Mobilization". It had not been possible to schedule work on the project within this Office with a hope of a reasonable deadline and on the other hand I had been unable until now to suggest a constructive alternative approach.

This office has examined the unterial and concludes that to make an adequate review of the report in its present form would be a major research intelligence project of great scope. However, the nature and magnitude of the project fit it into the work of the National Security Resources Board and makes it very closely related to the National Intelligence Survey which is being carried out on an interdepartmental basis under the coordination of the Central Intelligence Agency.

It appears that in the near future the CIA will, under MERB sponsorship, undertake to steer the development of an interdepartmental plan for intelligence for economic warfare, including mobilization of economic resources. This plan will undoubtedly call for integrated pre-liminary intelligence studies on major substantive problems, which in turn will probably be geared into the MIS Program. Since the Munitions Board's Report would seem to fit within the framework of both the MIS and the projected substantive economic warfare studies of the NSRE, this Office recommends that:

One, the Munitions Board present to the NSHE a proposal that the review of its report be integrated into the general work on economic warfare and

Two, through a representative of the Army, havy, or Air Force it present its project for consideration before the Mational Intelligence Survey Coordinating Committee.

In this way the project can receive proper consideration in the allocation of priorities for the interdepartmental activities throughout the general field of intelligence for economic warfare.

Sincerely yours,

/s/ Allen Evens Director Office of Intelligence Research